excess of their licensed capactiy. There are however, no reports of excess production as far as tooth brush is concerned.

(d) to (g) In. 1985, it was decided to launch prosecution proceeding against M/s. Colgate Palmolive (I) Ltd. for violating the provisions of KD&R) Act, 1951 by having effected substantial expansion for the manu acture of tooth paste and tooth powder and thus encroaching the area reserved for small scale sector. The company, however, obtained stay order from Delhi High Court seeking to restrain the Government from proceeding against them. Due to inordinate delay in the disposal of the case, the Government made an application in the Delhi High Court for an early hearing of the case, which started w.e.f. 9-4-91. As agreed by both the parties the Divisional Bench of the Delhi High Court in its Order dated 11-4-91 allowed M|s. Colgate Palmolive *(I)* Ltd. to implead themselves in similar case of M/s. PCA Engineers Ltd. for some other item then pending before the Supreme Court. An pplication for early vacation of stay in the case of M/s. Colcate Palmolive (1) Ltd. was again filed by Government before Delhi High Court in November, 1992 which came up for hearing on 9-2-93. The application for vacation of stay was dismissed by the High Court and the matter was adjourned sine die till the appeals/SLPs pending in (he Supreme Court are decided. The matter is being pursued through Central Government Advocate to expedite disposal of the case in the Supreme Court.

As far as protecting the interest of the small scale sector is concerned, it is submitted that the organised sector units are not granted approval for creation of fresh capacity for the manufacture of items reserved for small scale sector without the prescribed export obligation of a minimum of 75 per cent of production of such items-

(h) Occassional complaints are received from small scale units and their Associations, that some of the medium/ large scale undertakings including multinationals are manufacturing reserved items in excess of their licensed capacity. Some of these items are bread, biscuits, barium carbonate etc. apart rom tooth paste and tooth powder.

Foreign companies gaining share acquisition

1556. PROF. VIJAY KUMAR MALHOTRA: Will the PRIME MINISTER be pleased to state:

(a) the details of the foreign companies that have gained market shares acquisitions in the country and the ones that are gaining shares and acquisitions;

(b) the effect of these on . the Indian industries; and

(c) how far there foreign companies proved netful to the people of the country?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) During the post policy period (i.e. 1-8-91 to 31-1-95) approvals have been granted to 222 companies for increase in foreign equity shareholding in existing companies either by acquiring of additional shares or purchase of existing shares.

(b) Over the years, Indian industry has developed its own resilence and strength and is capable of a more dynamic relationship with foreign industry so as to exploit global marketing and export opportunities, emerging managerial techniques and technologies as also to become internationally competitive.

(c) Entry of foreign companies creates competition among manufacturers and results in efficiency, cost control, improved designs, quality assurance, product upgradation and better after sale service to the consumers. Besides, foreign investment provides access to international markets, upgrades technical/managerial skills and catalyses international competitiveness .